

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)
FRANCHISE GROUP, INC., *et al.*¹) Chapter 11
Debtors.) Case No. 24-12480 (LSS)
) (Jointly Administered)
)
) Re: Docket Nos. 1069, 1121, 1132, 1195, 1209,
) 1243, 1259 & 1260

**CERTIFICATION OF COUNSEL REGARDING
OMNIBUS ORDER APPROVING FIRST INTERIM FEE
APPLICATIONS OF CERTAIN OF THE DEBTORS' PROFESSIONALS**

The undersigned hereby certifies as follows:

On March 17, 2025, certain of the professionals retained by the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *First Interim Fee Application of Certain of the Debtors’ Professionals for the Period from November 3, 2024 Through and Including January 31, 2025* [Docket No. 1121] (the “First Interim Fee Application”). The First

¹ The Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy’s Newco, LLC (5404), Buddy’s Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies “Plus”, LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors’ headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

Interim Fee Application sought approval of fees and reimbursement of expenses for the following professionals retained by the Debtors in the chapter 11 cases (collectively, the “Professionals”):

- Young Conaway Stargatt & Taylor, LLP, co-counsel to the Debtors;
- Ernst & Young LLP, tax, accounting, and valuation services to the Debtors;
- Petrillo Klein + Boxer LLP, special counsel to the Debtors;
- Kroll Restructuring Administration LLC, administrative advisor to the Debtors; and
- Deloitte & Touche LLP, independent auditor to the Debtors.

Objections to the First Interim Fee Application, if any, were due on or before April 7, 2025, at 4:00 p.m. (ET) (the “Objection Deadline”).

The Court-appointed fee examiner, Direct Fee Review LLC (the “Fee Examiner”), filed the following reports (the “Fee Examiner’s Reports”) that addressed each Professionals’ respective interim fee applications contained within the First Interim Fee Application and, as applicable, outlined the resolutions and compromises reached with the respective Professionals with respect thereto:

- *Fee Examiner’s Final Report Regarding First Interim Fee Application Request of Young Conaway Stargatt & Taylor, LLP* [Docket No. 1243];
- *Fee Examiner’s Final Report Regarding First Interim Fee Application Request of Ernst & Young LLP* [Docket No. 1259];
- *Fee Examiner’s Final Report Regarding First Interim Fee Application Request of Petrillo Klein + Boxer LLP* [Docket No. 1260];
- *Fee Examiner’s Final Report Regarding Combined Monthly Fee Application Request of Kroll Restructuring Administration LLC* [D.I. 1069]; and
- *Fee Examiner’s Final Report Regarding First Interim Fee Application Request of Deloitte & Touche LLP* [D.I. 1209].

No other formal or informal responses to the First Interim Fee Application were received by the Debtors prior to the Objection Deadline, and a review of the docket in these chapter 11

cases reveals no answer, objection, or other responsive pleading thereto. Accordingly, the Debtors' undersigned counsel hereby submits the proposed form of order, attached hereto as **Exhibit 1** (the "Proposed Order"), approving the First Interim Fee Application on the terms set forth therein.

WHEREFORE, no responses or objections were received to the First Interim Fee Application, other than the Fee Examiner's Reports, and the Fee Examiner has reviewed the Proposed Order and has advised the Debtors' undersigned counsel that he does not object to entry of the Proposed Order. The Debtors therefore respectfully request that the Court enter the Proposed Order at its earliest convenience without further notice or a hearing.

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Dated: April 14, 2025
Wilmington, Delaware

/s/ Allison S. Mielke

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